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## PREPARATION OF STATEMENTS

Several of the reports required for non-governmental funds are the same as the reports prepared for governmental funds. However, Report No. 3 differs slightly in preparation. Fiduciary reporting for Federal Trust Funds and those Other Trust and Agency Funds are discussed separately in this chapter

The following reports are required for Non-Governmental Cost Funds:

### Report No. 3 - Adjustment to Controller's Accounts.

Report No. 3 is required if needed. Although Report No. 3, Adjustments to Controller's Accounts (Exhibits V-1 and V-2), uses the same format as governmental funds, the content is somewhat different. Report No. 3 is required for non-governmental cost funds only when one or more of the following accounts must be adjusted:

- |                  |  |
|------------------|--|
| GLA 1140         | - Cash in State Treasury;  |
| GLA 1210         | - Deposits in Surplus Money Investment Fund;                             |
| GLA 1730.0512    | - Prepayments to State Compensation Insurance Fund<br>(from Category 96) |
| GLA 1730.0666000 | - Prepayments to Service Revolving Fund<br>(from Category 98); and       |
| GLA 2120         | - Advances to Other Funds (from Category 95)                             |

Report No. 3 for non-governmental cost funds is prepared when the agency's account balances for the above GLAs do not agree with the SCO's balances on June 30 due to an error on the SCO's records. Use Form 576A to report adjustments. Form 576B is not required. An explanation for each adjustment should be included with the completed form. Even though the adjustment is an SCO error, the reported adjustment should be the amount necessary to bring the

agency's accounts into agreement with the SCO's June 30 balances. The total debits must equal total credits. The "contra" entry is normally "Due to Other Funds" or "Due From Other Funds".

### **Report No. 7 - Pre Closing Trial Balance**

G02 Report. See sample in Exhibit V-3.

**Note:** SCO uses this report as a computer input document to record accruals for non-governmental cost funds.

### **Report No. 8 - Post-Closing Trial Balance**

G02 Report. See sample in Exhibit V-4. The G02 Report also includes the Subsidiaries on File. See sample in Exhibit V-5.

### **G01 - General Ledger Trial Balance Report**

In addition to the Report No's. 7 and 8 (G02 Report), the SCO requests agencies with shared non-governmental cost funds to submit a G01 Report (FM=PY, P=Y). Shared funds use Fund Balance General Ledger Account 5570, Fund Balance – Clearing Account. The SCO uses the G01 Report to help resolve problems when combining agency reports to create the consolidated reports for the fund.

### **Report No. 9 - Analysis of Change in Fund Balance**

G04 Report. See sample in Exhibit V-6.

Agencies submit a Report No. 9, Analysis of Change in Fund Balance, when they account for a non-governmental fund in its entirety (non-shared) or for an account within a non-governmental fund in its entirety, such as, the Federal Trust Fund or the Special Deposit Fund.

A non-shared fund uses Fund Balance General Ledger Account (GLA) 5530-Fund Balance-Unappropriated, or GLA 5540-Retained Earnings for proprietary funds (D22 Table GAAP Indicator of **E** or **I**).

Report No. 9, Analysis of Change in Fund Balance, is also known as the Statement of Operations. The report displays the beginning fund balance, additions (e.g. revenues), deductions (e.g. expenditures), and the ending fund balance. The beginning fund balance on the Report No. 9 must equal the ending fund balance from the previous year's Report No. 9. Any discrepancies must be footnoted with an explanation of the changes made subsequent to submission of the previous year-end financial statements. Adjustments entered with Transaction Codes 581 and 582 will be automatically footnoted on Report No. 9.